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AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING,
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ADVERTISING WASHINGTON APPLES

The Wenatchee District Cooperative Association, Wenatchee, Wash., has advertised its "Jim Hill" brand apples for the past six or seven years. For the first four years the advertising was directed toward the wholesale apple buyers, and magazines which went to the wholesale trade were used. In order to reach the consumer also, the association carried advertisements in newspapers in some of the largest and best apple sales centers, and provided display material for use in the windows of grocery stores.

Since the beginning of the 1926-27 season the advertising has been concentrated more on the consumer, although enough is directed toward the wholesale trade to prevent dealers from forgetting the Jim Hill brand. In the two years the association has distributed over 3,300 dealer advertisements which retailers have used in their local newspapers, paying for the space.

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NEW CALIFORNIA ASSOCIATION BEGINS FUNCTIONING

The Associated California Fruit Industries, Inc., San Francisco, the renamed California Deciduous Fruit Company, began to function April 30, by issuing reports on cherries. This association was recently formed to collect and distribute information on deciduous fruits to growers and shippers. As the season advances the management plans to issue reports on the shipment, arrival and sale of apricots, peaches, pears, plums, apples, figs, persimmons, and pomegranates. Market information assembled from 29 cities on pears, from 25 cities on peaches, from 23 cities on plums, from 13 cities on cherries and apricots, and from 38 cities on mixed deciduous fruits, will be disseminated to members of the association. Detailed reports and summaries which will portray market conditions and trends are to be prepared daily.

On May 17 the association had a membership of 73, consisting of cooperative associations, private business firms, and individual fruit growers and shippers.

FOURTH REPORT OF CALAVO GROWERS OF CALIFORNIA

The fourth annual report of the Calavo Growers of California, Los Angeles, has been issued as a thirty-page pamphlet. The activities of the organization for the nine months from January 1, 1927, to September 30, 1927, are given in detail. During this marketing period, 716,590 pounds of avocados were handled by the association. In addition, members sold 74,320 pounds of fruit on permits. The average f.o.b. selling price was 31.1 cents a pound and expenses of selling and administration were 12.7 cents. The average return to growers for all fruit delivered, including culls, was 16 cents a pound. The management estimates that 400 per cent more fruit was handled the past season than in any previous year. Shipments consisted of 71,895 flats and f.o.b. sales amounted to \$223,503.

Among the outstanding accomplishments of the association for the past season were the establishment of an eastern distributing office, the forwarding of experimental shipments to London, Paris and other foreign markets, and the conducting of an aggressive advertising program.

The jobber, the retail dealer, and the consumer were the three objectives toward which the advertising campaign was directed. In order to interest jobbers 6,500 copies of a broadside were distributed among them. Retail dealers were reached by an eight-page, four-color booklet, of which 311,000 copies were distributed, as well as supplies of window streamers, transparencies and price cards. A four-page letter was also sent them.

Efforts were made throughout the season to bring avocados to the attention of consumers. More than 700,000 copies of the two-color leaflet were distributed through retailers. Home economics writers were induced to prepare recipes using this fruit. More than half a million paper bags with suitable printing were supplied to retailers to be used in serving customers. They stated that a set of recipe cards would be sent on request, and more than five thousand sets were distributed.

Personal letters were sent to the chefs of a selected list of hotels and restaurants, each letter transmitting a card showing a picture of a dish prepared by some famous chef and giving the recipe.

The total expense of the advertising and sales promotion campaign was \$35,840 for the year. The greater part of the promotion work was carried on in the eastern markets from the New York office of the association.

In addition to selling fruit for its members the association supplied them with seeds, a total of 10,026 seeds being furnished at prices ranging from 3¢ to 6¢.

The association had a membership of 332 at the close of the business year.

PRUNE AND APRICOT GROWERS CONSIDER MANY SUBJECTS

About 350 members of the California Prune and Apricot Growers' Association, San Jose, attended the annual meeting on May 9, listened to the reports and discussions, and participated in the elections. The meeting was considered more representative of the entire membership than any held in recent years as growers were present in large numbers from every prune and apricot growing section of the State. Nearly all the directors were reelected and the new board of directors reelected the president, first vice-president, and the secretary-treasurer.

Great interest was manifested in the plans for reorganization of the association. The report of the committee on reorganization was adopted, as were also certain proposed amendments to the articles of incorporation and by-laws which would permit the association to reorganize as a federation of local associations. As this year is the last under the present contract, the members present considered it advisable that the matter of reorganization be given early consideration.

The reorganization committee, after an intensive and careful study of various forms of cooperatives, reported in favor of a system of federated local units as the best form of organization for the prune and apricot growers. They urged that with such an organization set-up it would be easier to maintain contact with the growers, as well as to hold their interest and loyalty. Some growers expressed themselves as unwilling to abandon the present centralized form of organization.

The idea that an organization must have a monopoly control of the products it handles, was discounted by many of the growers who believed that a loyal and satisfied membership was far more important than a large percentage of control. They pointed out that a monopoly of the demand was more essential than a monopoly of the supply.

The general manager reported that the association received 105,737,772 pounds of 1927 prunes, and also had to handle a carry over of 40,000,000 pounds from the 1926 crop. In spite of the many difficulties involved, the association had been able to sell the greater part of the supplies with the exception of a nominal reserve for carton purposes. First and second payments have been made to growers and the final settlement is expected to bring the returns to growers to a figure comparable with that received by independent growers.

Deliveries of apricots totalled 10,192,464 pounds. These were handled in two pools, the first of which, containing 8,043,842 pounds, is practically sold out and is to be settled for soon.

GOOD YEAR REPORTED BY FLORIDA CITRUS GROWERS

The Polk County Citrus Sub-Exchange of the Florida Citrus Exchange, Tampa, reports an unusually good season, bringing returns of more than \$8,000,000 to its members, according to reports presented at the recent annual meeting. Fifteen of the local units have cleared their properties of indebtedness of all kinds, and the remainder of the 26 are in good financial condition and should soon be entirely free of debt. These houses are now in a position to pack fruit for 10 to 15 cents a box less than their competitors, according to the report made at the annual meeting.

Canning of grapefruit was limited by the shortage of supply and consequent good demand for fresh fruit. The manager estimates that not more than 350,000 boxes were canned the past season.

The board of directors recommended that every packing house install stamping machines and stamp all first grade fruit with the "Seald-Sweet" brand, thereby both aiding and taking advantage of the advertising program of the Florida Citrus Exchange.

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COLORADO POTATO EXCHANGE PLANS FOR BUMPER CROP

With the expectation of a bumper crop of potatoes this year the Colorado Potato Growers' Exchange, Denver, is planning to increase its facilities for handling and marketing. Plans include the construction of eight or nine new potato warehouses and grading plants, ranging in cost from \$3,000 to \$15,000, depending on whether they are merely for storage or are built and equipped for grading and packing. The warehouse erected to serve the members of the Center Potato Growers' Association, a unit of the Exchange, is to be replaced by a modern packing plant capable of grading 12 cars of potatoes a day.

Centralized grading was undertaken by the Exchange in 1925. Seven warehouses were built and equipped; two other large properties were leased and fitted out for grading and packing potatoes, making nine houses in operation during the 1925-26 marketing season. Three more were constructed in 1926. The new plants planned for this year will cost approximately \$75,000. With these the Exchange will control 20 warehouses.

The manager states that there is an increasing demand every year for potatoes packed in new, even-weight, branded sacks, and that the local associations are expanding their packing facilities in order to meet this demand.

A heavy sign-up to the new nine-year contract is reported in the Center section of the San Luis Valley, the acreage now under contract being larger than that signed under the old five-year contract.

ASSOCIATION MARKETS GRAIN, PURCHASES COAL AND FEED

At the close of business on December 31, 1927, the Axtell Grain and Elevator Company, Axtell, Nebr., had a net worth of \$24,064. There was outstanding capital stock to the value of \$6,300, capital stock reserve of an equal amount, and surplus of \$11,464. The association was formed more than twenty-five years ago and is engaged in the marketing of wheat, corn, oats, and barley, and in the purchase of coal and feed. The volume of business handled for the last three years is as follows:

Commodity	Sales		
	1925	1926	1927
Wheat	\$214,761	\$119,305	\$209,798
Corn	39,092	16,617	28,677
Oats	3,827	5,489	4,317
Barley	2,573	206	273
Coal	14,899	14,838	17,167
Feed	465	12,697	11,307
Total	\$275,617	\$169,152	\$271,539

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NEW POLICY ADOPTED FOR ALBERTA POOL ELEVATORS

In accordance with a new policy adopted by the Alberta Cooperative Wheat Producers, Ltd., Calgary, the pool elevators will hereafter be operated on a "cost to patrons" basis. This means that members will be charged only with the bare cost of operating the elevator facilities. When they deliver their grain to pool houses no service or elevator charges will be made. At the end of the fiscal year when the actual operating cost is known it will be deducted from the final settlement on a per bushel basis.

Heretofore the Alberta Pool has made the usual elevator charges and refunded any excess earnings at the end of the year. In the 1926-27 season these excess earnings amounted to \$327,000, which was distributed to the entire membership, it amounting to about three-fourths of one cent per bushel.

This change in policy was decided by a convention of 70 delegates, on May 29 and 30. Furthermore, the delegates decided to make the plan retroactive and to distribute the excess earnings of the pool elevators for the 1927-28 season to those members who delivered their grain to the pool elevators.

A field service has been established by the board of directors of the association. Seven men have been appointed to maintain a contact with the central office and the members. Their work will be largely educational. One man is qualified for work among the Ukrainian, Russian and German members and another for work among the French speaking members

NEBRASKA ASSOCIATION HANDLES GRAIN AND LIVESTOCK

The Farmers' Grain and Livestock Association, Hordville, Nebr., was organized in December of 1906 to operate a farmers' elevator. About 1912 it also undertook the shipment of livestock. At first the association purchased the livestock from its patrons, shipping the same to Omaha with the expectation that the animals would sell for more on the terminal market than had been paid for them. After furnishing this type of service for about five years the association changed its policy and handled livestock on a commission basis.

During the last four years the business of the association has ranged from \$347,000 to \$400,000 a year. From 134,000 to 224,000 bushels of grain have been handled each year and livestock shipments have varied from 87 to 110 cars a year, as indicated below:

Year	Volume of business	Grain handled (Bushels)	Livestock shipped (Cars)
1924	\$347,751	224,580	105
1925	400,155	187,947	87
1926	347,807	134,200	110
1927	390,767	223,683	95

More than one-half of the total business, as measured in dollars, has consisted in the marketing of grain; about 40 per cent of the total receipts came from livestock and about 7 per cent from the sale of coal and other sidelines, as will be noted by the figures in the following table:

Sales	1924	1925	1926	1927
	(Per cent)	(Per cent)	(Per cent)	(Per cent)
Grain	61	56	36	54
Livestock	34	37	56	39
Coal	2	2	2	2
Sidelines*	3	5	6	5
Total	100	100	100	100

*Other than coal.

In 1915 the association had 90 stockholders and at the close of 1927 it reported 140 stockholders and 200 patrons. Outstanding capital stock amounted to \$19,500 on January 2, 1928. The reserve at that time was \$1,373; surplus, \$5,000; and net earnings for 1927 were \$5,203. Dividends on capital stock are limited to 8 per cent per annum.

NEBRASKA CREAMERY STILL EXPANDING

The annual business meeting of the Farmers' Union Creamery Company, Superior, Nebr., is also a social event for the farmers and their families. This year it was held on May 29 with the usual picnic dinner in the park and the crowd in attendance was variously estimated from 5,000 to 7,000. During the morning a patronage dividend of $2\frac{1}{2}$ cents per pound of butterfat was distributed to patrons of the Superior plant, and $1\frac{1}{2}$ cents to patrons of the Aurora plant.

Following the luncheon hour the regular shareholders' meeting was held. Reports presented at this meeting showed that the plant at Superior manufactured 2,214,655 pounds of butter and 476,108 pounds of condensed buttermilk. Its net earnings amounted to \$42,147. The Aurora creamery, which had been in operation only seven months, made 787,580 pounds of butter and 260,000 pounds of condensed buttermilk, and its net earnings came to \$11,046.

An average price of 44.40 cents was paid for butterfat at Superior, and the average sale price for butter was 41.48 cents for the year. Manufacturing expense was 2.337 cents a pound, and administrative expense, 1.097 cents. Corresponding figures for Aurora were as follows: average cost of butterfat, 42.90 cents; average price for butter, 39.32 cents; manufacturing costs, 2.69 cents; administrative costs, .93 cents.

The association at Superior was organized in 1917. Operations began in the present plant January 20, 1920. It began with eight cream receiving stations and by the end of the year 34 stations were shipping regularly. Six months later the number reported was 56, and has been increasing ever since.

The number of shareholders has grown from 345 in 1920 to 1,800 at the beginning of 1928, while the number of patrons is about 10,000. The association credits patronage dividends to all patrons and when these credits amount to \$10, the price of a share of stock, a share is issued to the patron, provided that he is a member of the Farmers' Union. During 1927, 365 new shareholders were acquired in this way. Interest not to exceed 8 per cent is paid on capital stock, and a patronage dividend of $2\frac{1}{2}$ cents on butterfat has been paid nearly every year in addition to building of a reserve of over \$50,000. In the last five years the association has paid out over \$150,000 in interest and dividends.

Butter sales by the association for the last five years have been as follows: 1923, \$423,285; 1924, \$442,074; 1925, \$515,640; 1926, \$657,440; 1927, \$1,255,721.

Recently the association contracted for the exclusive use of 25 refrigerator cars to carry the products of the two plants. One of these leased cars, bearing the word "Superior" on one side and "Farmers' Union" on the other, stood on the creamery tracks at the time of the meeting and attracted much attention.

NEW EQUITY CREAMERY BEGINS BUSINESS

A new Equity Union Creamery was opened at Pana, Ill., on June 5, with a picnic and business meeting. Opportunity was given to inspect the new building and its equipment. Members brought cream and eggs and before the close of the meeting the manager announced that 2,000 pounds of cream had been delivered, also a large number of eggs.

Prizes were awarded to individuals who had secured the greatest number of members, the first prize being a pure white Shorthorn heifer, and the second prize \$10 in cash.

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THIRTY YEARS OF LOCAL COOPERATION

For more than 30 years the farmers in the vicinity of Monticello, Iowa, have been served by their own cooperative enterprise, the Farmers' Mutual Creamery Company. Although originally started as a creamery, the association now serves its patrons in the marketing of their milk, poultry, eggs, and livestock, and through a store department provides them with many of their farm supplies.

The different departments have been organized in response to definite demands, and each department has been made to pay its way. In 1926, 574,725 pounds of butter was made, 1,707,254 pounds of sweet cream was sold, 14,646 hogs were shipped and 123,287 pounds of poultry marketed. Total turnover has exceeded one million dollars for each of the last three years, as will be noted by the figures for gross receipts:

Department	1925	1926	1927
Creamery	\$433,950	\$428,614	\$474,865
Store	185,592	175,969	174,723
Poultry	16,469	31,414	24,490
Egg	74,980	87,672	50,534
Livestock	317,752	407,425	277,386

This association has no capital stock. The original plan of financing provided for a loan from a local bank, which was repaid by a small deduction from returns to producers for butterfat. As other facilities have been added they have been financed through deductions. To-day the association owns property valued at \$60,000, which is considered as belonging to the community. The several departments are serving about 400 farmers.

COTTON GROWERS' EXCHANGE MOVES TO DALLAS

The general offices of the American Cotton Growers' Exchange, which have been located at Memphis, Tenn., for a number of years, have been moved to Dallas, Tex., where they were located following the organization of the Exchange in April of 1921.

Recently regional sales offices for the marketing of cotton received by a number of the member associations of the Exchange have been established at Houston, Tex., and Atlanta, Ga. Salesmen in these offices will specialize on selling the types of cotton produced in the territories tributary to each.

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SECOND ADVANCE TO TEXAS COTTON GROWERS

Checks to the amount of \$1,798,312 were distributed about the middle of June by the Texas Farm Bureau Cotton Association, Dallas. Of this total, \$1,472,312 went to members of the association who had 153,518 bales of cotton in the seasonal pool, thereby bringing the advances to 15 cents a pound, basis middling. Members of the Southwestern Irrigated Cotton Growers Association were paid \$319,000 of the remaining amount as an advance on 13,016 bales.

A similar advance was made some weeks ago on cotton in the early pool from the southern part of the state.

The management states that an unusually large number of post card ballots for directors were received during the designated period for balloting, indicating that the members were taking more interest in the elections than ever before.

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MORE MEMBERS, MORE WOOL AND BETTER PACKING

Twenty per cent more wool had been received at the warehouses of the Pacific Cooperative Wool Growers, Portland, Oreg., up to the end of May than on the corresponding date last year, according to a recent report of the management. Five hundred twenty-five new members, owning approximately 100,000 sheep and goats, have come into the association since the first of the year.

The association's graders report that there is a noticeable improvement each year in the way the members prepare and pack their wool for shipment to the warehouses. This is gratifying to the management of the association as educational work in approved methods of shearing, tying and packing fleeces has been carried on for several years.

COOPERATIVE MARKETING IN COLORADO

Colorado farmers are cooperating and are endeavoring to persuade their neighbors to do likewise. The Bean Growers' Association is out for 5,000 members. The Potato Growers' Exchange has completed its first five years and is presenting a nine-year contract. It has now secured 42 per cent of the state acreage and has 2,500 members. The Colorado Wheat Growers' Association is carrying on a campaign to sign up 60 per cent of the state's wheat, and the Colorado Poultry Producers' Exchange began receiving eggs on April 31. It has four locals incorporated. The Mountain States Beet Growers' Marketing Association recently voted to refuse the 1928 prices offered by a commercial sugar association.

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PATRONAGE DIVIDENDS FROM COOPERATIVE OIL STATION

About 270 farmers in the vicinity of Sacred Heart, Minn., formed the Renville County Cooperative Oil Company in 1926. Capital stock was issued to the amount of \$6,100 and equipment purchased for an oil station. At the close of the first business year, April 30, 1927, the management reported sales amounting to \$36,542, and at the close of the second year, sales of \$41,017, a gain of 12 per cent over the first year. Selling expenses for the 1927-28 year were \$4,277 and general and administrative expenses were \$2,753.

Net earnings for the first year were \$3,199 and for the second year, \$4,460. A patronage dividend of \$2,154 was made from the earnings of the first year. Dividends paid the second year amounted to \$2,859. The net worth of the association on April 30, 1928, was \$9,306. A bulk station, a warehouse and curb pumps are now operated and nearly 400 patrons are being served.

The amount of business handled in the two years is indicated by the following figures.

	1926	1927
Gasoline	\$27,907	\$32,199
Kerosene	4,253	3,731
Lubricating oils	3,377	4,293
Greases	421	445
Miscellaneous	584	359
Total	\$36,542	\$41,017

REFUNDS ON FERTILIZER TO ALABAMA PURCHASERS

At the close of its season for handling fertilizers, the Alabama Farm Bureau Mutual Supply Association, Montgomery, returned to the county farm bureaus the sum of \$128,823 to cover handling charges and patronage dividends. The patronage dividends went to the members who bought fertilizer and the handling charges to the county organizations.

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JOINT PURCHASING COMMITTEE FOR CORN BELT FORMED

An organization to be known as the Corn Belt Joint Purchasing Committee was formed at Des Moines, Iowa, May 7, by representatives of nine states of the Middle West. These states already have purchasing associations under the Farmers' Union or similar organizations, and now propose to combine their buying power and buy binder twine, feeds, fertilizers, flour, and other necessities on a large scale in the most direct manner possible. Contracts were made promptly for large quantities of feed, flour and twine, also arrangements for distributing salt, coal, oyster shell, and oil.

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NEW YORK FARMERS BUY FEEDS AND FERTILIZERS

Sales to the amount of \$153,739, are reported by the Gouverneur Co-operative Association, Inc., Gouverneur, N. Y., for the year ending December 31, 1927. Custom grinding brought an added income of \$1,183. Six per cent interest was paid on stock, amounting to \$332, also a patronage dividend of \$3,292. This is a farmers' purchasing association organized in November, 1914. It handles feeds, fertilizers, seeds and other commodities. The membership had grown from 90 in 1915 to 353 at the close of 1927, and the outstanding share capital had increased from \$660 in 1916 to \$12,145. For several years the association served only its members but now reports 500 patrons.

Growth of the business is indicated in some measure by the figures showing yearly sales:

<u>Year</u>	<u>Sales</u>	<u>Year</u>	<u>Sales</u>
1915	\$29,721	1922	\$67,895
1916	38,232	1923	62,702
1917	56,921	1924	69,252
1918	85,791	1925	83,201
1919	112,472	1926	132,493
1920	-----	1927	158,789
1921	104,486		

IMPROVED STATUS OF SWISS COOPERATIVE BANK

Recently published figures regarding the Swiss Cooperative Bank at St. Gall, indicate a substantial growth during 1927, Turnover increased, also the amount of share capital, and the amount of the reserve. Comparative figures for the past two years are as follows:

	<u>1926</u> (Francs)	<u>1927</u> (Francs)
Annual turnover.....	1,973,361,585	2,832,083,915
Paid-up share capital	7,123,000	8,420,000
Reserves	646,940	747,940

Net earnings amounting to 583,422 francs, including 19,311 francs brought over from 1926, are to be distributed as follows: dividends on share capital at $5\frac{1}{2}$ per cent, 413,380 frs.; reserves, 72,000 frs.; depreciation, 50,000 frs.; public utility undertakings, 24,000 frs.; carried forward, 24,042 frs. (Par value of the franc is 19.3 cents.)

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CONSUMERS' COOPERATIVES IN SWEDEN

Sweden's cooperative societies numbered 893 in 1927, according to a report published in the May issue of International Cooperation. These societies had nearly 366,000 members; they conducted 2,625 shops, and sold goods to the value of 286,000,000 kronor. (Par value 26.8 cents)

From a summary of the totals of the balance sheets of the organizations, the following items were selected to indicate the development:

	<u>1926</u> (Kronor)	<u>1927</u> (Kronor)
Land and buildings	33,900,000	38,500,000
Stock in trade.....	31,300,000	33,900,000
Sales.....	265,000,000	286,000,000
Savings deposits.....	8,100,000	10,200,000
Share capital	24,600,000	27,500,000
Reserves.....	20,400,000	25,200,000
Net surplus	12,400,000	13,700,000

At present only about one-fourth of the population of Sweden is organized in the cooperative movement, and the average amount of purchases through the cooperatives is only 780 kronor per member.

DAMAGE CLAIMS AND TRANSPORTATION CHARGES

The question of whether a shipper can set up a counterclaim for damage to goods as defense in an action by a carrier for freight charges on interstate shipments, was passed upon by the District Court for the Eastern District of South Carolina in a recent case brought by the Pennsylvania Railroad Company v. The South Carolina Produce Association, 25 F. (2nd) 315. It was the contention of the railroad company that such a counterclaim could not be asserted in an action of this kind but must be sued upon separately as a distinct and independent action. The following is a quotation of that portion of the Interstate Commerce Act upon which the railroad company based its contention:

Nor shall any carrier charge or demand or collect or receive a greater or less or different compensation for such transportation of passengers or property, or for any service in connection therewith, between the points named in such tariffs than the rates, fares, and charges which are specified in the tariff filed and in effect at the time, nor shall any carrier refund or remit in any manner or by any device any portion of the rates, fares, and charges so specified, nor extend to any shipper or person any privileges or facilities in the transportation of passengers or property, except such as are specified in such tariffs.

The Supreme Court of the United States has rendered no decision directly in point, nor has any of the circuit courts of appeals. The decisions of the district courts and of the state courts are in conflict and it would be difficult to say where the weight of authority lies. However, the principles laid down by the Supreme Court of the United States in the case of Louisville & Nashville R. R. Co., v. Mottley, 219 U. S. 467, 31 S. Ct. 265, and the case of Chicago, Indianapolis & Louisville Railway Co. v. United States, 219 U. S. 486, 31 S. Ct. 272, as well as other cases cited were held by the Court in this case to furnish a guide to a correct solution of the question.

In the Mottley case the court held that, after the passage of the Interstate Commerce Act, a railroad company could not issue passes pursuant to an agreement by which the passes were to be issued in settlement of a claim for damages arising from injuries sustained in a railroad accident even though the agreement was made before the passage of the act, and that

the purchase of a transportation ticket by a passenger and its sale by the company shall be consummated only by the former paying cash and by the latter receiving cash of the amount specified in the published tariffs.

In the case of Chicago, Indianapolis & Louisville Railway Company against the United States, the Court held that a contract between a railroad and a newspaper whereby advertising space was purchased and to be paid for in transportation was a violation of the Interstate Commerce Act, even though the money value of the advertising space purchased equaled that of the transportation furnished.

The Court in this case, sustained the contention of the railroad, and stated it was clear, under the decisions cited that, in order to prevent discrimination by means of rebates and allowances of claims for damages, "a railroad company is bound to collect its freight charges in money only and cannot lawfully in collecting such charges allow a claim for damages as a set-off."

H. M. Bain.

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ASSOCIATION RESPONSIBLE FOR STORED GRAIN

The Nebraska Wheat Growers' Association entered into a contract with the Lexington Mill & Elevator Company under which the Elevator Company was to receive the wheat of members of the association, weigh, test, grade, store, load and bill the same for $3\frac{1}{2}$ cents per bushel. (Lexington Mill & Elevator Co. v. Browne, Neb., 219 N. W. 12)

A statute of the State of Nebraska declared that "any grain elevator or grain warehouse (other than at terminal points, which terminal points shall be designated by the state railway commission) in which grain is held in storage for a period longer than 10 days is hereby declared a public warehouse within the meaning of this act, and any grain which has been received at such grain elevator or grain warehouse for which payment has not been made within 10 days after the receipt of the same is hereby deemed to be held in storage." The act in question provided penalties for its violation.

The elevator company was engaged in the purchase and sale of grain for its own account, but only stored grain for the Nebraska Wheat Growers' Association. The Nebraska state railway commission proceeded upon the theory that the elevator company was a public warehouseman within the meaning of the warehouse laws of Nebraska, and on account of this fact the elevator company brought suit against the members of the state railway commission for the purpose of enjoining those officials from enforcing the warehouse laws of the state against it. The elevator company lost in the trial court and then appealed the case to the Supreme Court of Nebraska, which court reversed the lower court and directed that the members of the railway commission be enjoined from enforcing the warehouse laws of the state against the elevator company.

The cooperative act of Nebraska under which the Nebraska Wheat Growers Association was organized authorized associations formed thereunder to engage in warehousing the products received from their members. There was other language in the cooperative act with respect to warehousing which the court found expressed a legislative intent to render cooperative agencies formed under it wholly free from, and independent of, the restrictions and regulations imposed by the previous legislation respecting warehouses.

The court further pointed out that the elevator company was, in a practical sense, at any rate, simply the agent of the association in the receiving and storing of the grain. In this connection the court said:

On this basis this association is and was responsible to its membership for the contract grain delivered. It is, in fact, the relation which was contemplated by all parties and intended to be created by the contracts which they made. The conclusion is, (a) that this association, in the transactions before us, was if "warehousing," in legal effect, "warehousing" its own grain; (b) that the penalties of the act of 1915 apply only where the transaction questioned embodies "warehousing" the grain of others, as such "grain" is defined therein.

(3) Neither does the fact that only an "advance" was made at the time of the receipt of the grain operate to change the rule. This is a cooperative transaction, and the cooperators, by the terms of the contract, contribute grain to a going business in which they are not only parties in interest but actual proprietors. If the payment of "advance" be regarded as only a part payment, as contended for by the state, then, in the light of the entire transaction, the remainder of the compensation must be deemed to be the definite concrete contract right which, by the acceptance of the grain at delivery, became fully vested, contemporaneous with such delivery, in the member so delivering. Thereafter, such member was, in legal effect, neither the sole owner of the wheat he had delivered nor in strictness a creditor of the corporation.

L. S. Hulbert.

SPECIAL FORMS OF COOPERATIVE ACTIVITY IN MISSISSIPPI

Two special forms of cooperative marketing and purchasing have been developed in Mississippi, according to a report from the extension department of the Mississippi Agricultural and Mechanical College. These are the county farm bureau association for marketing and purchasing and the home products marketing association.

Forty county farm bureaus for collective selling and buying have been formed during the past twelve years. These are incorporated under the state cooperative marketing act. The county units have been federated into the Mississippi Farm Bureau Federation, which was organized in 1922 as a nonstock, nonprofit association. It functions largely as a wholesale purchasing agent for the county organizations.

Among the products sold by the county units are: livestock, poultry, eggs, corn, wool, seeds, cotton seed, and truck crops; and among the commodities purchased are: seeds, feeds, fertilizers, and fruit trees. Sales during the past ten years have ranged from about one-half million dollars a year to more than four million dollars, and purchases from one hundred fifty thousand dollars to nearly two million dollars. Total sales for the ten years amount to \$16,128,835 and total purchases to \$12,763,641. Sales and purchases by years were as follows:

Year	Sales	Purchases	Total
1918	\$3,183,607	\$ 149,605	\$3,333,212
1919	4,449,749	1,122,328	5,572,077
1920	1,550,935	1,344,834	2,895,769
1921	1,367,382	953,332	2,320,714
1922	450,804	1,052,418	1,503,222
1923	831,542	1,646,065	2,477,607
1924	1,440,658	1,594,579	3,035,237
1925	726,328	1,433,142	2,159,470
1926	1,040,016	1,843,723	2,883,739
1927	1,087,814	1,623,615	2,711,429

Home products marketing associations have been formed in ten communities. These associations are composed of women members of home demonstration clubs who have organized to operate a market in a nearby town, one or two days a week for the sale of home products.

Total sales for the three years that this type of cooperative marketing has been in progress have been as follows: 1925, \$31,323; 1926, \$29,904; 1927, \$72,926.

MISSISSIPPI'S MARKETING ASSOCIATIONS

"The Progress of Cooperative Marketing in Mississippi" is outlined in Extension Bulletin No. 48, of the Mississippi Agricultural and Mechanical College. The 17-page bulletin describes the county organizations, the commodity organizations, the purchasing groups, and the clubs for marketing home products. T. M. Patterson is the author.

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REPORT ON COOPERATION IN THE UNITED STATES

A mimeographed summary of a "Report of Cooperative Marketing of Farm Products" has been issued by the Federal Trade Commission. The report, prepared pursuant to a Senate resolution in 1925, has been submitted in two parts to the Senate of the United States. Part one deals with the "Development and Importance of the Movement" and part two is a "Comparison of Costs, Prices and Practices of Cooperatives and Competitors."

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SCHOOL TO TRAIN COOPERATIVE EMPLOYEES

A school for loading inspectors is announced by the management of the Sowega Melon Growers' Association, Adel, Ga. The purpose of the school will be to train the men who are to act as inspectors at the various shipping points for watermelons during the coming season. Loading and inspection rules have been formulated by the management in an effort to ensure that only melons of good quality will be shipped by the association members.

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SECOND SESSION OF NEW ENGLAND INSTITUTE

The New England Institute of Cooperation is holding its second annual conference at the Massachusetts Agricultural College, Amherst, June 26 to 29, 1928. Topics assigned for some of the sessions are as follows: Problems of dairy cooperation; Problems of cooperative purchasing -- feed, seed and fertilizer; Education of members; Recent progress in cooperation; Cooperation in fruits and vegetables; Cooperative problems, standardization and definition. There will also be a get-together meeting, a dinner meeting, and a business meeting. Many well known names appear on the program, including a number from the division of Cooperative Marketing of the U. S. Department of Agriculture.

REPORTED BY THE ASSOCIATIONS

Forty-five local cooperative marketing associations in Michigan conducted meetings the past spring for discussing the factors that cause potato prices to fluctuate. More than 3,200 potato growers attended these meetings.

The Washington Cooperative Egg and Poultry Association, Seattle, has prepared to retire \$165,000 worth of its common stock on July 1, and has called in all certificates from Number 8,024 up to 15,800. Certificate No. 8,024 is the lowest uncalled certificate outstanding.

With the prospect of having the heaviest crop of fruit in some years, the citrus growers of Palmwoods, Queensland, Australia, at a recent meeting, decided unanimously to appropriate one penny per bushel case for an advertising campaign to increase consumption of their fruit.

Wisconsin tobacco growers, whether members of the Northern Wisconsin Tobacco Pool or not, have had the privilege of attending a series of tobacco institutes conducted by a regular conductor of farmers' institutes who is also a tobacco grower. Evening meetings were held at 11 points and additional meetings are to be held later in other sections.

Plans of the Missouri State College of Agriculture for accrediting livestock shipping associations which measure up to certain standards, have been approved by shipping associations in several districts, with certain minor changes. State officials are holding regional conferences with representatives of shipping associations to discuss the proposed "efficiency measuring stick."

Advance payment on certificates of indebtedness is offered to members by the Cooperative Pure Milk Association, Cincinnati, Ohio. Coupon No. 6, due January 15, 1929, which is for 20 per cent of the principal, and is the first of five similar coupons. will be redeemed at full face value, less the 6 per cent interest the money would earn if the coupons were held until due.

The New Zealand Cooperative Dairy Company, Ltd., Hamilton, N. Z., has developed a plan for members of the association to send packages of butter to their friends and relatives in the United Kingdom. This is considered by the manager as an excellent advertisement for the product. A recent check shows the number of orders last year increased by 50 per cent over the previous year, and the quantity of butter so shipped increased approximately 100 per cent.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

- Angle, W. T. Cooperation Wins at Premier Feeder Market: How the Producers at Kansas City are Rendering a Superior Service Which is Bringing in a Large Quota of Members Every Week. National Live Stock Producer, Chicago, Ill., June, 1928, p. 3.
- Approves Cooperative Marketing: Chamber of Commerce Committee Commends Organized Selling by Farmers. Land O'Lakes News, Minneapolis, Minn., May, 1923, p. 11.
- Christensen, Chris L. The Outlook for Cooperative Marketing. Burley Tobacco Grower, Lexington, Ky., May, 1928, p. 3.
- Cook, H. E. Where Cooperation Depends on Results: Organization Gets a Good Price for California Oranges. American Agriculturist, New York City, April 28, 1928, p. 1.
- Foust, Edmond C. Cooperation Pays Its Own Way: Cooperative Marketing is Founded on the Bed Rock of Service, Willingness to Serve, and Fairness to All Concerned. Hoosier Farmer, Indianapolis, Ind., June 1, 1928, p. 8.
- Large-Scale Organization and Adequate Finances Necessary for Effective Cooperative Marketing. Federal Trade Commission's Report on Cooperative Marketing Points Out What Makes for Success. Dairy-men's League News, New York City, June 8, 1928, p. 2.
- Macgregor, L. R. Uncontrolled Marketing Means Cheaper Maize. Queensland Producer, Brisbane, Australia, May 9, 1928, p. 10.
- McRae, Donald. Pool Progress Shows Unprecedented Record in Four Short Years. (Radio address) Western Producer, Saskatoon, Sask., June 7, 1928, p. 18.
- Tighe, E. F. Bankers for Pool Payment Plan. Wheat Growers' Journal, Wichita, Kans., June 1, 1928, p. 14.
- Van Hook, Russell. The Wheat Pool: A Great System of Elevators for Storing Pooled Wheat. Hoosier Farmer, Indianapolis, Ind., May 15, 1928, p. 12.
- Warbasse, J. P. The Organization of a Cooperative Wholesale Society. Canadian Cooperator, Brantford, Can., June, 1928, p. 8.

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